



General Assembly

Substitute Bill No. 5795

January Session, 2011

* _____HB05795PS_JUD031511_____*

**AN ACT CONCERNING THE LICENSING AND RECORD KEEPING OF
PAWNBROKERS AND PRECIOUS METAL AND STONE DEALERS,
THE RETENTION OF CERTAIN GOODS AND CERTAIN FEES
CHARGED BY PAWNBROKERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2011*) As used in this section,
2 sections 10 and 11 of this act, sections 21-39 to 21-47, inclusive, of the
3 general statutes, as amended by this act, and section 21-100 of the
4 general statutes, as amended by this act:

5 (1) "Pawnbroker" means a person who is engaged in the business of
6 loaning money on the deposit or pledge of wearing apparel, jewelry,
7 ornaments, household goods or other personal property or purchasing
8 such property on condition of selling the same back again at a
9 stipulated price;

10 (2) "Precious metals dealer" means a person who is primarily
11 engaged in the business of purchasing gold or gold-plated ware, silver
12 or silver-plated ware, platinum ware, watches, jewelry, precious
13 stones, bullion or coins and licensed under section 21-100 of the
14 general statutes, as amended by this act;

15 (3) "Secondhand dealer" means a person who is engaged in the
16 business of purchasing personal property of any type from a person
17 who is not a wholesaler for the purpose of reselling or exchanging

18 such property, and has physical possession of such property, other
19 than an antiques dealer, art dealer, coin and stamp dealer, precious
20 metals dealer, pawnbroker, consignment shop operator, special
21 collectibles dealer, musical instrument dealer, used book dealer, dealer
22 in motor vehicles as described in chapter 246 of the general statutes,
23 auctioneer as described in chapter 403 of the general statutes, junk
24 dealer, as defined in section 21-9 of the general statutes, as amended by
25 this act, scrap metal processor, as defined in section 14-67w of the
26 general statutes, recycling facility, as defined in section 22a-207 of the
27 general statutes, or bona fide charitable or religious corporation;

28 (4) "Antiques dealer" means a person who is primarily engaged in
29 the business of buying and selling items collected or desirable due to
30 age, rarity, condition or some other unique feature;

31 (5) "Art dealer" means a person who is primarily engaged in the
32 business of buying and selling illustrative and decorative paintings,
33 drawings, photographs, prints, sculptures or other works in the
34 graphic or plastic arts, or decorative or artistic objects;

35 (6) "Coin and stamp dealer" means a person who is primarily
36 engaged in the business of buying and selling coins, stamps, currency
37 or rare documents collected or desirable due to age, rarity, condition or
38 some other unique feature;

39 (7) "Consignment shop operator" means a person who is primarily
40 engaged in the business of selling personal property as the agent of
41 another person who has placed such property in the physical
42 possession of the agent when such other person has not been paid for
43 such property, retains legal title to such property and bears the risk of
44 loss until such property is sold to a third person;

45 (8) "Special collectibles dealer" means a person who is primarily
46 engaged in the business of buying or selling a distinctive type of
47 manufactured item of limited supply designed for persons to collect or
48 that possesses attractive characteristics, rarity, uniqueness, production

49 faults or other distinctive characteristics necessary to cause a person to
50 save it for hobby, display or investment purposes, without regard to its
51 value or practical use, including, but not limited to, china, glass, toys,
52 militaria, sports memorabilia, movie memorabilia, railroad
53 memorabilia, models, comic books, dolls, figurines or other items of
54 interest to a discrete group of persons, excluding antiques, coins,
55 stamps, works of art, books, jewelry or precious metals;

56 (9) "Musical instruments dealer" means a person who is primarily
57 engaged in the business of buying and selling new and used musical
58 instruments and accessories;

59 (10) "Used book dealer" means a person who is primarily engaged
60 in the business of buying and selling books previously sold at retail
61 from persons other than a publisher or wholesaler;

62 (11) "Wholesaler" means a person engaged in the business of buying
63 property in large quantities and reselling the property in the same or
64 smaller quantities to persons who resell the property to the ultimate
65 consumer;

66 (12) "Licensing authority" means the chief of police of any town or
67 city or, if such town or city does not have an organized local police
68 department, the Commissioner of Public Safety; and

69 (13) "Person" means an individual, corporation, limited liability
70 company, partnership or association.

71 Sec. 2. Section 21-39 of the general statutes is repealed and the
72 following is substituted in lieu thereof (*Effective October 1, 2011*):

73 No person [, corporation, limited liability company or partnership]
74 shall, in any city or town of this state, engage in or carry on the
75 business of [loaning money upon deposits or pledges of wearing
76 apparel, jewelry, ornaments, household goods or other personal
77 property, or of purchasing such property on condition of selling the
78 same back again at a stipulated price, unless such person, corporation,

79 limited liability company or partnership is licensed as] a pawnbroker
80 unless such person is licensed in accordance with section 21-40, as
81 amended by this act; but the provisions of this chapter shall apply only
82 if such property is deposited with a lender, and shall not apply to
83 loans made upon stock, bonds, notes or other written or printed
84 evidence of ownership of property or of indebtedness to the holder or
85 owner of any such securities.

86 Sec. 3. Section 21-40 of the general statutes is repealed and the
87 following is substituted in lieu thereof (*Effective October 1, 2011*):

88 (a) The [selectmen] licensing authority of any town [and the chief of
89 police of any] or city may grant licenses to suitable persons to be
90 pawnbrokers [and to carry on the business of lending money on the
91 deposit or pledge of personal property, or of purchasing such property
92 on condition of selling it back again at a stipulated price, or of
93 purchasing such property from a person who is not a wholesaler,] in
94 such town or city respectively, and may suspend or revoke such
95 licenses for cause, [; but the selectmen shall not grant such licenses for
96 the carrying on of such business within the limits of any city] which
97 shall include, but not be limited to, failure to comply with any
98 requirements for licensure specified by the licensing authority at the
99 time of issuance.

100 (b) The person so licensed shall pay, for the benefit of any such city
101 or town, respectively, or if the licensing authority is the Department of
102 Public Safety, for the benefit of said department, to the licensing
103 authority [granting such license] a license fee of fifty dollars, and
104 twenty-five dollars per year thereafter for renewal of such license, and
105 shall, at the time of receiving such license, file, with the [mayor of such
106 city or the first selectman] licensing authority of such city or town, a
107 bond to such city or town, with competent surety, in the penal sum of
108 two thousand dollars, to be approved by such licensing authority, and
109 conditioned for the faithful performance of the duties and obligations
110 pertaining to the business so licensed unless such person is also
111 licensed as a secondhand dealer in accordance with section 10 of this

112 act, in which case the licensing authority shall waive the payment of
113 renewal fees and filing of a bond required by this subsection.

114 (c) Each such license shall designate the place where such business
115 is to be carried on and shall [continue] be in effect for one year unless
116 sooner suspended or revoked. Such license shall be displayed in a
117 conspicuous location in the place where such business is carried on. At
118 the time of application for such license and each renewal thereof, the
119 applicant shall disclose to the licensing authority all places used or
120 intended to be used by the business for the purchase, receipt, storage
121 or sale of property. During the term of such license, the licensee shall
122 notify the licensing authority of any additional places that will be used
123 by the business for the purchase, receipt, storage or sale of property
124 prior to such use.

125 (d) An application for such license shall be made in writing, under
126 oath. The application shall contain: (1) The type of business to be
127 engaged in, (2) the applicant's full name, age and date and place of
128 birth, (3) the applicant's residence addresses and places of employment
129 within the preceding five years, (4) the applicant's present occupation,
130 (5) any crime of which the applicant has been convicted and the date
131 and place of such conviction, and (6) such additional information as
132 the licensing authority deems necessary to investigate the
133 qualifications, character, competency and integrity of the applicant. If
134 the applicant is a corporation, limited liability company, partnership or
135 association, the application shall contain the information required by
136 this subsection for each individual who is or will be an officer,
137 shareholder, financial backer or creditor, other than a financial
138 institution, of such entity or any other individual with a relationship to
139 such entity similar to that of an officer, shareholder, financial backer or
140 creditor.

141 (e) The application for such license and any renewal thereof shall
142 contain information on any Internet web site or account used by such
143 applicant to conduct the business. During the term of the license, the
144 licensee shall notify the licensing authority in writing of the addition

145 or discontinuation of any Internet web sites or accounts used to
146 conduct the business.

147 (f) No license shall be issued under this section by the [selectmen or
148 chief of police] licensing authority to any person who has been
149 convicted of a felony. [The selectmen or chief of police may require any
150 applicant for a license under this section to submit to state and national
151 criminal history records checks. If the selectmen or chief of police
152 require such criminal history records checks, such checks] The
153 licensing authority may require any applicant, employee or person
154 with an ownership interest in the business to submit to state and
155 national criminal history records checks. Whenever the licensing
156 authority requires such criminal history records checks, such
157 individual shall submit two complete sets of fingerprints on forms
158 prescribed by the licensing authority. Any criminal history records
159 checks required pursuant to this subsection shall be conducted in
160 accordance with section 29-17a. The licensing authority may charge the
161 individual a fee equal to the fees established by the Federal Bureau of
162 Investigation and the State Police Bureau of Identification for
163 performing such criminal history records checks.

164 (g) The licensing authority shall grant or deny such application not
165 later than ninety days after the filing of such application with the
166 licensing authority. The licensee shall file for a renewal of such license
167 at least sixty days before the expiration of such license and the
168 licensing authority shall grant or deny such renewal not later than
169 thirty days after the filing of such application for renewal. Failure of
170 the licensing authority to act on such initial application or renewal
171 application within the applicable period specified in this subsection
172 shall be deemed to be a denial. The licensing authority may suspend,
173 revoke or modify any license issued under this section at any time
174 during the period of the license for good cause shown, upon notice to
175 the licensee and following a hearing. The licensing authority shall hold
176 any such hearing not later than five days after the date of issuance of
177 such notice, and shall issue a decision not more than fourteen days

178 after any hearing. Any person aggrieved by any action of the licensing
179 authority in denying, suspending, revoking, modifying or refusing to
180 renew a license issued pursuant to this section may appeal from such
181 action to the Superior Court.

182 Sec. 4. Section 21-41 of the general statutes is repealed and the
183 following is substituted in lieu thereof (*Effective October 1, 2011*):

184 (a) No pawnbroker [or person who loans money on the deposit or
185 pledge of wearing apparel, jewelry, ornaments, household goods or
186 other personal property or purchases such property on condition of
187 selling the same back again at a stipulated price or purchases such
188 property from a person who is not a wholesaler] shall take, receive or
189 purchase [such] tangible personal property without receiving proof of
190 the identity of the person depositing, pledging or selling the property.
191 Such identification shall include a photograph, an address, if available
192 on the identification, and an identifying number, including, but not
193 limited to, date of birth. [Any person who wilfully violates any
194 provision of this subsection shall, for a first violation, have committed
195 an infraction and, for a second or subsequent violation committed
196 within two years of a prior violation, be guilty of a class A
197 misdemeanor.] No pawnbroker shall enter into any pledge or purchase
198 transaction with a minor unless such minor is accompanied by such
199 minor's parent or guardian.

200 (b) Each such pawnbroker [or person carrying on such business of
201 loaning money on the deposit or pledge of personal property or of
202 purchasing such property on condition of selling the same back again
203 at a stipulated price or of purchasing such property from a person who
204 is not a wholesaler] shall maintain a computerized record-keeping
205 system deemed appropriate by the [chief of police in cities and by the
206 selectmen in towns] licensing authority, in which shall be entered in
207 English, at the time [he] the pawnbroker receives any article of
208 personal property by way of pledge, [pawn] deposit or purchase, a
209 description of such article, the name, residence address, proof of
210 identity as required in subsection (a) of this section and a general

211 description of the person from whom, and the [day] date and hour
212 when, such property was received and in which, if the property does
213 not contain any identifiable numbers or markings, shall be included a
214 digital photograph of each article. Each entry in the record-keeping
215 system shall be numbered consecutively. A tag shall be attached to the
216 article in a visible and convenient place with a number written on such
217 tag corresponding to the entry number in the record-keeping system
218 and shall remain attached to the article until the article is sold or
219 otherwise disposed of, provided the licensing authority shall prescribe
220 procedures authorizing the removal of such tags from articles,
221 including those articles consisting of jewelry that are cleaned and
222 repaired on the premises by the pawnbroker, that will provide
223 accountability for such articles. Such tag shall be visible in a digital
224 photograph taken in accordance with this section. Such record-keeping
225 system and the place where such business is carried on and all articles
226 of property therein may be examined at all times by any state police
227 officer, [by any] municipal police officer, by the [selectmen of the
228 town] licensing authority or any person by them designated. [or, if
229 such business is carried on in a city, by the chief of police of such city
230 or any person by him designated.] Any state police officer or
231 municipal police officer [of the town or city where the business is
232 carried on] who performs such an examination may require any
233 employee on the premises to provide proof of [his] the employee's
234 identity. All records maintained pursuant to this section shall be
235 retained by the pawnbroker for not less than two years.

236 (c) Except as provided in subsection (d) of this section, the
237 description of any property received by a pawnbroker under this
238 section shall include, but shall not be limited to, all distinguishing
239 marks, names of any kind, including brand and model names, model
240 and serial numbers, engravings, etchings, affiliation with any
241 institution or organization, dates, initials, color, vintage or image
242 represented. Any description of audio, video or electronic media of
243 any kind shall also include the title and artist or any other identifying
244 information contained on the cover or external surface of such media.

245 (d) The licensing authority may provide for an exemption from, or
246 establish additional or different requirements than, the requirements of
247 subsection (c) of this section upon consideration of the nature of the
248 property, transaction or business, including, but not limited to, articles
249 in bulk lots or articles of minimal value.

250 Sec. 5. Section 21-42 of the general statutes is repealed and the
251 following is substituted in lieu thereof (*Effective October 1, 2011*):

252 (a) Each such pawnbroker shall, at the time of making any loan on a
253 pawn or pledge of personal property or of purchasing such property
254 on condition of selling the same back again at a stipulated price [or of
255 purchasing such property from a person who is not a wholesaler,]
256 deliver to the person who [pawns] deposits, pledges or sells such
257 property a memorandum or note containing (1) the entry required to
258 be made in [his] such pawnbroker's computerized record-keeping
259 system by the provisions of section 21-41, as amended by this act, (2) a
260 copy of the statement signed by the person who deposits, pledges or
261 sells such property that represents and warrants that such property is
262 not stolen and has no liens or encumbrances against it, and that such
263 person is the rightful owner of such property and has the right to enter
264 into the transaction, and (3) a copy of the statement signed by the
265 person who deposits, pledges or sells such property that states such
266 person will indemnify and hold harmless such pawnbroker for any
267 loss arising from the transaction because of a superior right of
268 possession to the property residing with a third person. Each such
269 pawnbroker may charge the person who deposits, pledges or sells
270 such property a fee for such memorandum or note, the processing and
271 recording of the transaction, the storage of the property, any insurance
272 for the property and any appraisal of the property. Each such
273 pawnbroker shall pay for any property received by [pawn] deposit,
274 pledge or purchase only by check, draft or money order and shall not
275 pay cash for any such property except when the pawnbroker cashes a
276 check, draft or money order for the person who is [pawning]
277 depositing, pledging or selling the property. When the pawnbroker

278 cashes a check, draft or money order, [he] such pawnbroker shall
279 require proof of the identity of the person presenting the check, draft
280 or money order in accordance with subsection (a) of section 21-41, as
281 amended by this act. [Any person who wilfully violates any provision
282 of this section shall be guilty of a class A misdemeanor.]

283 (b) Each check, draft or money order used to pay for property
284 received by a pawnbroker shall contain the number or numbers
285 associated with such property in the record-keeping system
286 maintained in accordance with section 21-41, as amended by this act.
287 Whenever payment is made by check, the pawnbroker shall retain the
288 electronic copy of such check or other record issued by the financial
289 institution who processed such check, and such copy or record shall be
290 subject to inspection pursuant to section 21-41, as amended by this act,
291 as part of such record-keeping system. No pawnbroker shall cash any
292 check, draft or money order issued by such pawnbroker in an amount
293 in excess of one thousand dollars and no person shall structure any
294 transaction or transactions to avoid this prohibition. Any transaction or
295 transactions between a pawnbroker and the same party within a
296 twenty-four-hour period shall be aggregated and considered a single
297 transaction for the purposes of this section.

298 Sec. 6. Section 21-43 of the general statutes is repealed and the
299 following is substituted in lieu thereof (*Effective October 1, 2011*):

300 Each [such] pawnbroker shall [make, weekly] submit to the
301 licensing authority, weekly, or more frequently as determined by the
302 licensing authority upon consideration of the volume and nature of the
303 business, a sworn statement of his or her transactions, describing the
304 [goods] property received and setting forth the nature and terms of the
305 transaction and the name and residence address and a description of
306 the person from whom the [goods were] property was received. [, to
307 the chief of police in cases of cities and boroughs, and in other cases to
308 the town clerk of the town in which such pawnbroker resides. Any
309 such pawnbroker who wilfully fails to make the report required by this
310 section shall be fined not more than one hundred dollars.] Such

311 statement shall be in an electronic format prescribed by the licensing
312 authority. The licensing authority may grant an exemption from the
313 requirement of submitting such statement in electronic format for good
314 cause shown.

315 Sec. 7. Section 21-45 of the general statutes is repealed and the
316 following is substituted in lieu thereof (*Effective October 1, 2011*):

317 No pawnbroker shall sell or dispose of any personal property left
318 with [him] such pawnbroker in deposit or pledge for money loaned or
319 as a result of the purchase of such property on condition of selling the
320 same back again at a stipulated price in less than [two months] sixty
321 days from the [day] date when the same is left in deposit or pledge [as
322 aforesaid] or purchased on condition of selling the same back again at
323 a stipulated price, except when such sale or disposition is to the person
324 who deposited, pledged or sold such property or an authorized agent
325 of such person. All such property may be sold or disposed of at the
326 [premises] place of business of such pawnbroker or at public sale after
327 [advertisement in a daily newspaper published in the town in which
328 such pawnbroker carries on business, at least once two days before the
329 date of the sale or sales, which advertisement shall state the numbers
330 of the pledge tickets representing the property offered for sale, and the
331 date or dates when such tickets were issued.] such sixty-day period.
332 Upon the expiration of sixty days from the date when such property is
333 left with a pawnbroker, if the person who deposited or pledged such
334 property fails to redeem any such property in accordance with the
335 terms of the transaction, such right of redemption or repurchase on the
336 part of the person who deposited or pledged such property shall be
337 extinguished and the pawnbroker shall acquire the entire interest in
338 the property that was held by the person who deposited or pledged
339 such property prior to such deposit or pledge without further notice to
340 such person.

341 Sec. 8. Section 21-46a of the general statutes is repealed and the
342 following is substituted in lieu thereof (*Effective October 1, 2011*):

343 Whenever property is seized from the [premises] place of business
344 of a pawnbroker, precious metals dealer or secondhand dealer by a
345 law enforcement officer, such officer shall give the pawnbroker,
346 precious metals dealer or secondhand dealer a duly signed receipt for
347 the property containing a case number, a description of the property,
348 the reason for the seizure, the name and address of the officer, the
349 name and address of the person claiming a right to the property prior
350 to the pawnbroker, precious metals dealer or secondhand dealer and
351 the name of the pawnbroker, precious metals dealer or secondhand
352 dealer. If the pawnbroker, precious metals dealer or secondhand dealer
353 claims an ownership interest in such property, he or she may request
354 the return of such property by filing a request [therefor] for such
355 property with the law enforcement agency in accordance with the
356 provisions of section 54-36a. If the person who deposited, pledged or
357 sold any property received by a pawnbroker or dealer is convicted of
358 any offense arising out of such pawnbroker's or dealer's acquisition,
359 retention or disposition of the property and such pawnbroker or dealer
360 suffered an economic loss as a result of such offense, the court, at the
361 time of sentencing, may order restitution to such pawnbroker or dealer
362 pursuant to subsection (c) of section 53a-28 and such order may be
363 enforced in accordance with section 53a-28a.

364 Sec. 9. Section 21-47 of the general statutes is repealed and the
365 following is substituted in lieu thereof (*Effective October 1, 2011*):

366 (a) Any person [, corporation, limited liability company or
367 partnership which] who wilfully engages in the business of a
368 pawnbroker, [or in any business described in section 21-39,] unless
369 licensed according to law, or after notice that [its] his or her license has
370 been suspended or revoked, shall be guilty of a class D felony. [, and
371 also shall forfeit treble the amount loaned on the property so pledged
372 to any person injured thereby who sues therefor.]

373 (b) Any person [, corporation, limited liability company or
374 partnership which] who wilfully violates any of the provisions of this
375 chapter for which no other penalty is provided [or neglects to keep a

376 record-keeping system in the English language or to make the entries
377 therein as provided by law or refuses to allow the same to be inspected
378 by the proper officers or receives an article of personal property by
379 way of pawn, pledge or purchase from any minor, knowing or having
380 reason to believe him to be a minor,] shall be guilty of a class A
381 misdemeanor.

382 Sec. 10. (NEW) (*Effective October 1, 2011*) (a) No person shall engage
383 in the business of a secondhand dealer, as defined in section 1 of this
384 act, in any city or town of this state unless such person is licensed in
385 accordance with this section. The licensing authority of any city or
386 town may grant a secondhand dealer license to any suitable person
387 with a fixed place of business within the limits of such city or town.
388 The provisions of this section shall not apply to any transaction
389 involving the purchase of personal property of any type from a person
390 who is not a wholesaler for the purpose of reselling or exchanging
391 such property by (1) a bona fide charitable or religious corporation, or
392 (2) a person conducting a garage sale, yard sale, tag sale or estate sale
393 conducted entirely at a private residence, provided such sale does not
394 exceed seventy-two hours in duration during any six-month period
395 from the requirements of this section.

396 (b) Any person granted a license under subsection (a) of this section
397 shall pay, for the benefit of the city or town, respectively, or if the
398 licensing authority is the Department of Public Safety, for the benefit of
399 said department, to the licensing authority a license fee of two
400 hundred fifty dollars, and one hundred dollars per year thereafter, for
401 renewal of such license, and shall, at the time of receiving such license,
402 file, with the licensing authority, a bond to such city or town, with
403 competent surety, in the amount of ten thousand dollars, to be
404 approved by such licensing authority and conditioned for the faithful
405 performance of the duties and obligations pertaining to the business so
406 licensed.

407 (c) Each such license shall designate the place where such business
408 is to be carried on and shall be in effect for one year unless sooner

409 suspended or revoked. Such license shall be displayed in a
410 conspicuous location in the place where such business is carried on. At
411 the time of application for such license and each renewal thereof, the
412 applicant shall disclose to the licensing authority all places used or
413 intended to be used by the business for the purchase, receipt, storage
414 or sale of property. During the term of such license, the licensee shall
415 notify the licensing authority of any additional places that will be used
416 by the business for the purchase, receipt, storage or sale of property
417 prior to such use.

418 (d) An application for such license shall be made in writing, under
419 oath. The application shall contain: (1) The type of business to be
420 engaged in, (2) the applicant's full name, age and date and place of
421 birth, (3) the applicant's residence addresses and places of employment
422 within the preceding five years, (4) the applicant's present occupation,
423 (5) any crime of which the applicant has been convicted and the date
424 and place of such conviction, and (6) such additional information as
425 the licensing authority deems necessary to investigate the
426 qualifications, character, competency and integrity of the applicant. If
427 the applicant is a corporation, limited liability company, partnership or
428 association, the application shall contain the information required by
429 this subsection for each individual who is or will be an officer,
430 shareholder, financial backer or creditor, other than a financial
431 institution, of such entity or any other individual with a relationship to
432 such entity similar to that of an officer, shareholder, financial backer or
433 creditor.

434 (e) The application for such license and any renewal thereof shall
435 contain information on any Internet web site or account used by such
436 applicant to conduct the business. During the term of the license, the
437 licensee shall notify the licensing authority, in writing, of the addition
438 or discontinuation of any Internet web sites or accounts used to
439 conduct the business.

440 (f) No license shall be issued under this section by the licensing
441 authority to any person who has been convicted of a felony. The

442 licensing authority may require any applicant, employee or person
443 with an ownership interest in the business to submit to state and
444 national criminal history records checks. Whenever the licensing
445 authority requires such criminal history records checks, such
446 applicant, employee or person shall submit two complete sets of
447 fingerprints on forms prescribed by the licensing authority. Any
448 criminal history records checks required pursuant to this subsection
449 shall be conducted in accordance with section 29-17a of the general
450 statutes. The licensing authority may charge the applicant, employee
451 or person a fee equal to the fees established by the Federal Bureau of
452 Investigation and the State Police Bureau of Identification for
453 performing such criminal history records checks.

454 (g) The licensing authority shall grant or deny an initial application
455 not later than ninety days after the filing of such application with the
456 licensing authority. The licensee shall file for any renewal of such
457 license at least sixty days before the expiration of such license and the
458 issuing authority shall grant or deny such renewal not later than thirty
459 days from the filing of such application for renewal. Failure of the
460 licensing authority to act on such application or renewal within such
461 period shall be deemed to be a denial.

462 (h) The licensing authority may suspend or revoke any license
463 issued under this section or modify the requirements for such license
464 at any time during the period of the license for good cause shown,
465 upon notice to the licensee and following a hearing, which shall be
466 held not later than five days following the date of issuance of such
467 notice. The licensing authority shall issue a decision not more than
468 fourteen days following any hearing.

469 (i) Any person aggrieved by any action of the licensing authority in
470 denying, suspending, revoking or refusing to renew a license issued
471 pursuant to this section or modifying the requirements for such license
472 may appeal from such action to the Superior Court.

473 (j) Any applicant for a license or renewal thereof may, at the time of

474 the initial application or any time thereafter, apply for an exemption
475 from the provisions of this section for the term of the license or for
476 such shorter period as the licensing authority may determine. The
477 licensing authority may grant such exemption for good cause shown.
478 The licensing authority may, for good cause shown, exempt any
479 person from the provisions of this section who engages in activities
480 otherwise subject to the provisions of this section on an occasional
481 basis.

482 (k) Any person who wilfully engages in the business of a
483 secondhand dealer, unless licensed in accordance with this section, or
484 after notice that such person's license has been suspended or revoked,
485 shall be guilty of a class D felony.

486 Sec. 11. (NEW) (*Effective October 1, 2011*) (a) No secondhand dealer
487 shall take, receive or purchase tangible personal property without
488 receiving proof of the identity of the person selling the property if such
489 person is not a wholesaler. Such identification shall include a
490 photograph, an address, if available on the identification, and an
491 identifying number, including, but not limited to, date of birth.

492 (b) Each secondhand dealer shall maintain a record-keeping system
493 deemed appropriate by the licensing authority which shall be entered
494 in English, at the time the secondhand dealer purchases any article of
495 personal property, a description of such article and the name, the
496 residence address, the proof of identity as required by this section and
497 a general description of the person from whom, and the date and hour
498 when, such property was purchased and in which, if the property does
499 not contain any identifiable numbers or markings, shall be included a
500 digital photograph of such article. Each entry in such record-keeping
501 system shall be numbered consecutively. A tag shall be attached to the
502 article in a visible and convenient place with a number written on such
503 tag corresponding to the entry number in the record-keeping system
504 and shall remain attached to the article until the article is sold or
505 otherwise disposed of, provided the licensing authority shall prescribe
506 procedures authorizing the removal of such tags from articles. Such

507 tag shall be visible in the digital photograph required by this
508 subsection. Such record-keeping system and the place or places where
509 such business is carried on and all articles of property therein may be
510 examined at any time by any state police officer or municipal police
511 officer. Any state police officer or municipal police officer who
512 performs such an examination may require any employee on the
513 premises to provide proof of such employee's identity. All records
514 maintained pursuant to this section shall be retained by the
515 secondhand dealer for not less than two years.

516 (c) Except as provided in subsection (d) of this section, the
517 description of any property purchased by a secondhand dealer under
518 this section shall include, but not be limited to, all distinguishing
519 marks, names of any kind, including brand and model names, model
520 and serial numbers, engravings, etchings, affiliation with any
521 institution or organization, dates, initials, color, vintage or image
522 represented. Any description of audio, video or electronic media of
523 any kind shall also include the title and artist or other identifying
524 information contained on the cover or external surface of such media.

525 (d) The licensing authority may provide for an exemption from the
526 requirements of subsection (c) of this section, or establish additional or
527 different requirements concerning the description of any property
528 purchased by a secondhand dealer, upon consideration of the nature of
529 the property, transaction or business, including, but not limited to,
530 articles in bulk lots or articles of minimal value.

531 (e) (1) Except as provided in subsection (f) of this section, each
532 secondhand dealer shall pay for any property purchased only by check
533 or money order and shall not pay cash for any such property. Any
534 secondhand dealer who pays by check shall retain the electronic copy
535 of such check or other record issued by the financial institution who
536 processed such check, and such copy or record shall be subject to
537 inspection in accordance with this section as part of the record-keeping
538 system.

539 (2) No secondhand dealer shall pay or cash any instrument issued
540 by him or her. The dealer shall indicate on each such instrument the
541 number or numbers associated with such property in the record-
542 keeping system required to be maintained pursuant to this section.

543 (f) Any secondhand dealer who was licensed in any city or town as
544 a pawnbroker pursuant to section 21-39 of the general statutes, as
545 amended by this act, on March 31, 2011, and who continues to hold
546 such license, may pay for property received pursuant to a secondhand
547 dealer license issued in accordance with section 10 of this act in the
548 manner authorized under section 21-42 of the general statutes, as
549 amended by this act, until July 1, 2021, provided such secondhand
550 dealer complies with all other provisions of this section relating to
551 secondhand dealers.

552 (g) No secondhand dealer may purchase any personal property
553 from a minor unless such minor is accompanied by such minor's
554 parent or guardian.

555 (h) Each secondhand dealer shall make to the licensing authority,
556 weekly, or more frequently as determined by the licensing authority
557 upon consideration of the volume and nature of the business, a sworn
558 statement of his or her transactions, describing the property purchased
559 and setting forth the nature and terms of the transaction and the name
560 and residence address and a description of the person from whom the
561 property was received. Such report shall be in an electronic format
562 prescribed by the licensing authority. The licensing authority may
563 grant exemptions from the requirement of making reports in an
564 electronic format for good cause shown.

565 (i) No secondhand dealer shall sell or dispose of any personal
566 property acquired in any transaction in the course of business in less
567 than ten days after the date of its receipt. Upon the sale or disposition
568 of such property, such dealer shall, if such property is not sold at retail
569 at the place of business of such dealer, include a record of such sale or
570 disposition in the record-keeping system required by this section.

571 (j) Whenever property is seized from the place of business of a
572 secondhand dealer by a law enforcement officer, such officer shall give
573 such secondhand dealer a duly signed receipt for the property
574 containing a case number, a description of the property, the reason for
575 the seizure, the name and address of the officer, the name and address
576 of the person claiming a right to the property prior to the secondhand
577 dealer and the name of the secondhand dealer. If the secondhand
578 dealer claims an ownership interest in such property, such secondhand
579 dealer may request the return of such property by filing a request for
580 such property with the law enforcement agency in accordance with the
581 provisions of section 54-36a of the general statutes. If the seller of any
582 property purchased by a secondhand dealer is convicted of any offense
583 arising out of such secondhand dealer's acquisition of the property and
584 the secondhand dealer suffered an economic loss as a result of such
585 offense, the court may, at the time of sentencing, order restitution to
586 the secondhand dealer pursuant to subsection (c) of section 53a-28 of
587 the general statutes, which order may be enforced in accordance with
588 section 53a-28a of the general statutes.

589 (k) Any person who violates any provision of this section shall be
590 guilty of a class A misdemeanor.

591 Sec. 12. Section 21-100 of the general statutes is repealed and the
592 following is substituted in lieu thereof (*Effective October 1, 2011*):

593 (a) No person may engage in or carry on the business of purchasing
594 gold or gold-plated ware, silver or silver-plated ware, platinum ware,
595 watches, jewelry, precious stones, bullion or coins unless such person
596 is licensed by the [chief of police or, if there is no chief of police, the
597 first selectman] licensing authority of the municipality in which such
598 person intends to carry on such business; except that the provisions of
599 this subsection shall not apply to the purchase of such items from a
600 wholesaler by a manufacturer or retail seller whose primary place of
601 business is located in this state. Such person shall pay an annual fee of
602 ten dollars for such license. The license may be revocable for cause,
603 which shall include, but not be limited to, failure to comply with any

604 requirements for licensure specified by the licensing authority at the
605 time of issuance. [A chief of police or first selectman] The licensing
606 authority shall refuse to issue a license under this subsection to a
607 person who has been convicted of a felony [. A chief of police or first
608 selectman] and may require any applicant for a license to submit to
609 state and national criminal history records checks. If the [chief of police
610 or first selectman] licensing authority requires such criminal history
611 records checks, such checks shall be conducted in accordance with
612 section 29-17a. For the purposes of this subsection "wholesaler" means
613 a person in the business of selling tangible personal property to be
614 resold at retail or raw materials to be manufactured into suitable forms
615 for use by consumers.

616 (b) Any person who wilfully engages in the business of a precious
617 metal dealer, unless licensed in accordance with this section or after
618 notice that such person's license has been suspended or revoked, shall
619 be guilty of a class D felony.

620 [(b)] (c) Each such [licensed person] licensee shall keep a record in
621 which [he] such licensee shall note at the time of each transaction a
622 description of the [goods] property purchased and the price paid for
623 them, the name and address of the person selling the goods and the
624 date and hour any such [goods were] property was received. Each
625 such [licensed person] licensee shall demand positive identification
626 from the person selling the article and the type or form of
627 identification received shall be noted in the record. Any state police
628 officer or municipal police officer shall have access to the record
629 required to be kept under this section and may inspect the place where
630 the business is carried on as well as any goods purchased or received.
631 The licensee shall maintain a place of business within this state, at
632 which the goods purchased or received and the required records shall
633 be available for such inspection.

634 [(c)] (d) No [such licensed person] licensee may purchase any
635 [goods] property from a minor unless such minor is accompanied by a
636 parent or guardian.

637 (e) Each such [licensed person] licensee may only pay for [goods]
638 property received by check [, draft] or money order and no cash shall
639 be transferred to either party in the course of a transaction subject to
640 the provisions of this section. Any licensee who pays cash or cashes a
641 check or money order shall be guilty of a class A misdemeanor. No
642 licensee may advertise that he or she will pay for property received
643 with cash.

644 [(d)] (f) At the time of making any purchase each [licensed person]
645 licensee shall deliver to the person selling [goods] property a receipt
646 containing the information required to be recorded in subsection [(b)]
647 (c) of this section, the amount paid for any [goods] property sold and
648 the name and address of the purchaser.

649 [(e)] (g) Upon request of the licensing authority each such [licensed
650 person] licensee shall make a weekly sworn statement, describing the
651 goods received and setting forth the name and address of each person
652 from whom goods were purchased, to the [chief of police or first
653 selectman] licensing authority of each municipality in which [he] the
654 licensee transacted business that week. Such sworn statement shall not
655 be deemed public records for the purposes of the Freedom of
656 Information Act, as defined in section 1-200.

657 [(f)] (h) Any person who violates any provision of this section, for
658 which no other penalty is provided, shall be fined not more than one
659 thousand dollars.

660 Sec. 13. Section 21-9 of the general statutes is repealed and the
661 following is substituted in lieu thereof (*Effective October 1, 2011*):

662 As used in this chapter, "junk dealer" means any person who
663 engages in business as a dealer and trader in junk, old metals, scrap,
664 rags, waste paper or other secondhand articles that are no longer
665 serviceable for their original manufactured purpose, and "junk yard"
666 means any place in or on which old metal, glass, paper, cordage or
667 other waste or discarded or secondhand material, which has not been a

668 part, or is not intended to be a part, of any motor vehicle, is stored or
669 deposited.

670 Sec. 14. Section 21-11 of the general statutes is repealed and the
671 following is substituted in lieu thereof (*Effective October 1, 2011*):

672 Any person desiring to engage in business as a dealer [and trader in
673 secondhand bicycles,] in junk, metals or other secondhand articles that
674 are no longer serviceable for their original manufactured purpose in
675 any town, city or borough shall make application to the selectmen of
676 such town, the mayor or chief of police of such city or the warden of
677 such borough, as the case may be, for a license to transact such
678 business within the limits of such town, city or borough, and the
679 selectmen of such town, the mayor or chief of police of such city or the
680 warden of such borough shall issue such licenses to such suitable
681 persons as apply [therefor] for such licenses and may revoke any such
682 license for cause; but the selectmen shall not grant any such license for
683 the carrying on of such business within the limits of any city or
684 borough, and the persons so licensed shall pay, for the benefit of any
685 such town, city or borough, to the authority granting the license, not
686 less than two nor more than ten dollars [therefor] for the license, to be
687 determined by the authority granting the license, and for renewal of
688 such license ten dollars per year. Each license granted under the
689 provisions of this section shall designate the place where such business
690 is to be carried on, and shall continue for one year unless sooner
691 revoked. Each such dealer shall keep a book in which shall be written
692 in English a description of such articles and the name and residence
693 and a general description of the person from whom, and the time and
694 hour when, such property was received; and such book, and all articles
695 of property mentioned [therein] in such book, and the place where
696 such business is carried on, may be examined at any time by the
697 selectmen of the town or any person designated by [them] such
698 selectmen, and, in any city or borough, by the chief of police of such
699 city or borough or any person [by him] designated by the chief. Each
700 such dealer shall make, weekly, sworn statements of all his or her

701 transactions under such license, describing the goods received and
 702 setting forth the name and residence and a description of the person
 703 from whom such goods were received, to the chief of police in the case
 704 of cities or boroughs and, in other cases, to the town clerk of the town
 705 in which such junk dealer resides, and shall keep all goods at least five
 706 days after the filing of such statement. Any person who wilfully
 707 engages in the business of a junk dealer, unless licensed in accordance
 708 with this section or after notice that such person's license has been
 709 suspended or revoked, shall be guilty of a class D felony.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	New section
Sec. 2	<i>October 1, 2011</i>	21-39
Sec. 3	<i>October 1, 2011</i>	21-40
Sec. 4	<i>October 1, 2011</i>	21-41
Sec. 5	<i>October 1, 2011</i>	21-42
Sec. 6	<i>October 1, 2011</i>	21-43
Sec. 7	<i>October 1, 2011</i>	21-45
Sec. 8	<i>October 1, 2011</i>	21-46a
Sec. 9	<i>October 1, 2011</i>	21-47
Sec. 10	<i>October 1, 2011</i>	New section
Sec. 11	<i>October 1, 2011</i>	New section
Sec. 12	<i>October 1, 2011</i>	21-100
Sec. 13	<i>October 1, 2011</i>	21-9
Sec. 14	<i>October 1, 2011</i>	21-11

PS

Joint Favorable Subst. C/R

JUD